JUSTIFICATION FOR AN EXCEPTION TO FAIR OPPORTUNITY

1. Contracting Activity:

Department of Veterans Affairs (VA)
Office of Acquisition Operations
Technology Acquisition Center
23 Christopher Way
Eatontown, NJ 07724

- 2. <u>Description of Action:</u> This proposed action is for a firm-fixed price delivery order (DO) issued under the National Aeronautics and Space Administration (NASA) Solutions for Enterprise-Wide Procurement (SEWP) V Governmentwide Acquisition Contract (GWAC).
- 3. Description of Supplies or Services: VA, Office of Information and Technology (OI&T), Service Delivery and Engineering, Enterprise Testing Services (ETS) has a requirement for three Hewlett Packard Enterprises (HPE) WebInspect software licenses, software maintenance and associated support. HPE WebInspect provides dynamic web application security assessments and thoroughly analyzes complex web applications and web services for security vulnerabilities. It delivers broad technology coverage, fast scanning capabilities, extensive vulnerability knowledge, ease of use, and web application scanning results. HPE WebInspect provides detailed analysis of customer web application adherence to Government regulations and industry standards and identifies needed changes for compliance. It also enables users to create new policies or customize existing policies, and provides the capability to create and modify detailed analysis reports that integrate with the currently fielded HPE Quality Center. The period of performance is 12 months for software maintenance, inclusive of software delivery within 30 days of DO award, plus two, 12-month options to continue the software maintenance and associated support. The total price of the inclusive of option periods. proposed action is
- 4. <u>Statutory Authority:</u> The statutory authority permitting this exception to fair opportunity is Section 41 U.S.C 4106(c)(2) as implemented by Federal Acquisition Regulation (FAR) 16.505(b)(2)(i)(B) entitled, "Only one awardee is capable of providing the supplies or services required at the level of quality required because the supplies or services ordered are unique or highly specialized."
- 5. <u>Rationale Supporting Use of Authority Cited:</u> Based on extensive market research, as described in section 8 of this document, it was determined that limited competition is available among authorized resellers for HPE WebInspect software licenses, software maintenance and associated support. HPE WebInspect is the only software that integrates with the HPE software

suite currently utilized by ETS, specifically HPE Fortify Static Code Analyzer (SCA) and Software Security Center (SSC). This is of significant value as VA currently holds enterprise-wide licenses for Fortify SCA and SSC. Further, HPE WebInspect offers direct issue tracking links to HPE Quality Center, which is in extensive use by the ETS test center. The integrated analysis and reporting of both dynamic and static vulnerabilities significantly improves overall vulnerability detection. No other software is compatible or interoperable with the existing HPE software suite due to HPE's proprietary software interfaces. This lack of interoperability, such as the ability of a different vendor's software to be used on another vendor's software, is standard throughout the industry. Furthermore, HPE WebInspect enables local software installation which supports the current ETS testing architecture needed to support the sensitive nature of information used and the software that requires testing. Finally, HPE WebInspect is the only software that currently meets the Government's requirements as defined in the One-VA Technical Reference Model (TRM). Based on the above, only HPE Weblnspect software licenses, software maintenance, and associated support meets all of the Government's requirements.

- 6. Efforts to Obtain Competition: Market research was conducted, details of which are in the market research section of this document. This effort did not yield any additional sources that can meet the Government's requirements. It was determined, however, that limited competition is viable among authorized resellers for the required HPE WebInspect software maintenance. This justification will be posted to the NASA SEWP V GWAC site with the solicitation.
- 7. Actions to Increase Competition: The Government will continue to conduct market research to ascertain if there are changes in the marketplace that would enable future actions to be fully competed. In the event the Government intends to replace its software suite utilized by ETS, market research will be conducted to see if future actions can be fully competed.
- 8. Market Research: The Government's technical experts conducted market research in January of 2016 via web research and also analysis through review of reports generated by Gartner, a leader in information technology research. The research revealed two applications that provide application security testing (AST): HPE WebInspect and Veracode. It was determined that Veracode does not meet several critical requirements. Veracode lacks the integrated AST technology that is offered in HPE WebInspect. Veracode currently only offers AST as a cloud-based service and not as a set of tools that can be installed locally. The "cloud-based service only" of Veracode eliminates it from consideration for procurement by ETS due to testing software architecture and the sensitive nature of the software that requires testing. Lastly, Veracode is not on the approved list

in the One-VA TRM. Only software products that have been evaluated using this model are approved for use within OI&T.

Additional market research was performed in February 2016 utilizing the NASA SEWP V GWAC Provider Lookup tool which found numerous resellers on the NASA SEWP V GWAC who could provide HPE WebInspect software licenses, software maintenance and associated support.

9. Other Facts: None.

10. <u>Technical and Requirements Certification:</u> I certify that the supporting data under my cognizance, which are included in this justification, are accurate and complete to the best of my knowledge and belief.	
Eric Williamson	Date: <u>04/04/2016</u>
Project Manager 4/4/2016	Signature:
Christopher Eric Williamson Christopher Eric Williamson Division Director Signed by: Christopher E. Williamson 474624	
11. Fair and Reasonable Cost Determination: I hereby determine that the anticipated price to the Government for this action will be fair and reasonable based on adequate price competition. Additional price analysis will be conducted consisting of a comparison of the successful quote with the Independent Government Cost Estimate, published commercial pricing, and the awardee's NASA SEWP V GWAC catalog pricing. Iris Farrell Date: Date:	
12. Procuring Contracting Officer Certification: I certify that this justification is accurate and complete to the best of my knowledge and belief. As this contract action does not exceed \$700,000, the certification below, in accordance with VA Acquisition Regulation, serves as approval. Iris Farrell Date: Date: Procuring Contracting Officer Signature:	